

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7462

BILL NUMBER: HB 1313

NOTE PREPARED: Jan 10, 2013

BILL AMENDED:

SUBJECT: Regulation of Residential Leases.

FIRST AUTHOR: Rep. Speedy

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill provides that a political subdivision may not adopt or enforce a regulation that:

- (1) requires an owner or landlord to be licensed or to obtain a permit from the political subdivision to lease a rental unit;
- (2) requires an owner or landlord to enroll or participate in a class or government program as a condition for leasing a rental unit; or
- (3) imposes a fee or other assessment for any purpose other than fees relating to the construction of a rental unit.

The bill provides that a political subdivision may impose a penalty for an act or omission that is a nuisance or a violation of the political subdivision's enforceable ordinances or codes, subject to certain conditions.

The bill repeals a related statute relating to regulation of residential leases by political subdivisions.

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Summary of NET Local Impact: The impact of the bill on political subdivisions is indeterminate and will be based on the existing ordinances of the political subdivision and any actions the political subdivision chooses to make in response to the provisions of the bill.

Explanation of Local Expenditures: To the extent that a political subdivision has adopted a regulation prohibited under the bill, the political subdivision would not be able to enforce the regulation.

Additionally, a political subdivision may readopt certain ordinances or codes to conform to the notice and cure requirements of the bill in order to enforce the penalties. Any action by a political subdivision to readopt ordinances or codes under this section would be based on the decisions of the political subdivision.

Explanation of Local Revenues: A political subdivision may not be able to collect a penalty if its ordinance or codes do not provide for the notice and cures under the bill.

State Agencies Affected:

Local Agencies Affected: Political subdivisions.

Information Sources:

Fiscal Analyst: Karen Firestone, 317-234-2106.